THE TARIFF QUESTION.

28

SPEECH

OF

HON. T. L. HARRIS, OF ILLINOIS,

IN REPLY

TO THE SPEECH OF MR. HAMPTON, OF PENNSYLVANIA.

Mr. CHAIRMAN: The gentleman from Pennsylvania, [Mr. HAMPTON,] who represents the coal and iron interests of Pittsburg, entertained us the other day by a speech upon the tariff. He informed us that he wanted a system of "permanence and stability;" and he proposed to reach that system by dashing to pieces the tariff of 1846, and erecting another of higher duties upon its ruins. He appears as the special champion of coal and iron; but he told us that he was "equally anxious to see such a modification of the present tariff as would embrace every other interest that needed legislative aid." This was kind and generous. It was a cordial invitation to a log-rolling festival. But it so happened that on the day appointed, more of the invited guests staid away, than attended. Whether it was, because they did not relish the articles named in the bill of fare laid on our tables the evening previous by the gentleman's colleague, from Berks, [Mr. STRONG,] or whether the seasoning of the dishes by the Pennsylvania cooks contained too much *carbon* and *ferrocyanid* for northern palates, it is needless now to inquire. The invitation is doubtless still open, and it is as doubtless, that before the session closes, another day will be designated for a similar manifestation of disinterested hospitality. And, if there is any reliance on current reports, some guests *might* be so fortunate in attending as were the ministerial supporters of Walpole, who, when they were invited to dinner on a certain occasion, found each a £500 note under his napkin. But surely, until the gentleman can get more members of the Keystone family to attend, he will not think hard if others stand a little back on so interesting an occasion. And I will here say, that if this House can withstand the outside influence, and importunities of capitalists and their agents, who throng this city, to effect an increase of the tariff, it will have more integrity and virtue in its composition than it has credit for. I trust in God that it has; but the result will show.

Now, sir, what is the gentleman's proposition? Why, it is for a combination of adverse interests to accomplish a particular object—such as is almost always made to accomplish bad legislation. His proposition is just this: "If you, gentlemen, will give us a law to tax the coal and iron which you consume, we will give you a law to tax other articles which we consume, and which you produce or manufacture. We do not want to include any more than we cannot help, but to accomplish our object we will make a liberal arrangement. You gentlemen sugar-growers, want an increased tax of fifty per cent. on sugar and molasses; and you who manufacture leather, boots, shoes, porcelain, and glass-ware, watches, paper, woolens, silks, cottons, hemp, flax, hats, caps, bonnets, buttons, jewelry, tin, copper, ready-made clothing—not to forget the manufacturers of iron and steel—want an increased tax on these articles. Now, if you will give us what we want, we will give you what you want. We will have an understanding to endure this little contribution one to the other, for the sake of the general and wholesale plunder that we can make off the people by the arrangement." This is substantially the proposition. The gentleman knows very well, that the country would never submit to be taxed millions of dollars to keep the furnaces and forges of Pennsylvania, or any other State, in operation. He knows this, and he hence looks for strength in combinations. It has been said that one half of mankind are always engaged in cheating the other half out of a living; but of all cheats yet invented, that of tariff taxation is one of the most monstrous. It is the combination of a few manufacturing interests to extort from the agricultural and laboring masses of the people enormous sums of money, and all under the pretence of doing them a special benefit. It is not only a system of fraud and deception in itself, but it is disguised and defended by the use of deceitful terms. We are constantly hearing about "judicious tariffs," "reasonable and moderate protection," "just discrimination in favor of American labor and American capital, to protect it from the foreign capital and pauper labor of Europe." I hope to show the true value of some of these expressions before I am done. The gentleman from Pennsylvania, is, of course, for a "judicious tariff," and it is not hard to understand what he wants. He is familiar with the *ad captandum* high tariff

language. And to support his theory he has woven that language into a speech, decorated with several groupings of statistical embellishments.

I do not regret that the gentleman commenced this discussion. There is no question on which it will be more profitable, for if there has been any one subject, more than another, obscured, befogged, covered up, and plastered over, with far-fetched arguments, prosy calculations, and incomprehensible *non sequiturs*, that subject is the tariff. Discussion may tend to promote "permanency and stability," not indeed such as the gentleman desires —that of high taxes, but the "permanency and stability" of FREE TRADE. While the gentleman is pursuing his antiquated and oppressive doctrines of the tariff and taxation, the people have been moving from him in the opposite direction of free trade. Such is the tendency of public sentiment, and the teachings of sound political economy.

In making great changes in political legislation, it is enough for the legislature to do, to move with, or in obedience to, the popular will. It need never anticipate it. While, therefore, I would not at one sweep repeal all our tariff laws, I would, in obedience to that will, at once commence a course of legislation which should look to their final abrogation. I believe that the interests of our whole people, would be promoted by having trade as free among the nations of the earth, as it is between the States of this Union; and I am convinced that all restrictions upon trade or commerce tend inevitably to the injury of the people imposing them. Therefore it is, that while I would hold to the tariff of 1846, rather than support one of higher duties, yet I would prefer a systematic reduction of duties even to that.

The old argument, or rather the assertion, that "*high duties make cheap goods*," the gentleman quite omitted. Why was this? Are there sufficient reasons for high duties without this, or was it judged that the people and the House understood the matter too well to be caught by such a flimsy pretension? But the gentleman tells us that imported iron is so cheap that the Pennsylvania article is driven to a great extent from the market, or rather, that the production of iron there has nearly ceased; and he says, that because of this, great loss is sustained by Pennsylvania. Now, what does he propose to do to make up that loss? Why, to put a tax upon iron, so as to raise it from thirty or forty dollars per ton, to double that price. The very fact, that iron-working is depressed under low duties, proves, that by high duties and heavy taxes alone upon the people, can it be kept up, and to force the manufacture of it by such means, is to throw the whole burden of that tax upon the consumers.

The people of Illinois are interested in procuring good iron at low prices. They have had experience in the effects of the tariff of 1842. Under it, iron rails and almost all articles of iron, were at nearly double the present prices, while of all our productions none brought as good prices as now.*

Illinois is an exporting State. She relies upon her surplus breadstuffs and provisions, to procure by exchange, such articles as she needs for consumption, which are not produced or manufactured within her own borders. Your tariff, taxes her, not only to the extent of that consumption, but it does more, it really taxes her exports. A direct tax upon exports is prohibited by the Constitution; yet all duties upon imported goods, wares, and merchandise, operate, to a considerable extent, like such a tax. Commerce among nations being but an exchange of commodities, if you diminish our purchases from other nations, as you do by imposing duties upon their productions when imported, you diminish to the same extent their purchases from us. Thus the producers of the great staples of export feel the taxation with double severity. Of the $136,946,912 of domestic productions sent abroad last year, $108,946,912 were the productions of agriculture, leaving but some $28,000,000 furnished from all other sources. Thus, in this twofold manner, are the agricultural and farming interests taxed. Do the farmers ask for these increased taxes upon imports? Not at all. And if you were to submit a vote to-day, as a separate and distinct measure, to the people of the United States, whether the duties upon iron should be increased fifty, forty, or even twenty per cent., the decision would be fifty to one against it. Who does not know that not one of the great articles of consumption could be taxed separately? It is only by a combination that these projects are carried, as though it were easier to pay taxes on *ten* articles, than on *one*.

But the gentleman says "American *labor* needs protection against the pauper labor of Europe." Sir, I am disgusted with the cant, the false or pretended sympathy for American labor which I so often hear. God forbid that I should feel anything but the deepest interest in the prosperity of American labor. I honor labor, and I honor the laborer *because he is a laborer*. If there is a man in this House, or in this country, who knows by experience, what labor, severe and toilsome labor is, I am that man. The first twenty years of my life were years of orphanage—of poverty and toil—and there is not a laborer in the country anywhere, who from day to day, and from morning till night, works harder or more unceasingly than I did work during that period. I remember well that long struggle with adversity; nor was it ended even then—I shall never forget it; and before Heaven, my arm should sooner wither and perish, and my tongue should sooner cleave to the roof of my mouth, than I would do anything, or say anything, that would retard the advancement and elevation, or put increased burdens upon American labor. But I do repeat, that it is sickening to hear the silk-stocking, silk-coated gentry, whose hands never touched a hammer, a jack-plane, an axe, or a plow, and whose fingers would be blistered in two minutes if they did, looking here through gold spectacles and squinting through opera glasses, and expressing their great anxiety to protect American labor, and giving taxation as

* NOTE.—*New York Prices Current.*

	Feb. 22, 1845. *High tariff.*	*Feb.* 20, 1851. *Low tariff.*
Bar iron, Russia...	$100 to 102 50	95 to —
" American.....	85 to 87 50	55 to —
" English, (refined)..	85 to 87 50	55 to —
" " (common)	70 to — —	40 to —
Flour, Genesee & Michigan..	4 87 to 4 93	4 87 to 5 00
Wheat, (western).....	1 00 to — —	1 00 to 1 18
Corn, (southern).....	45 to 46	60 to 67
Beef, Mess, per bbl.....	7 00 to 7 50	8 50 to 10 75
" Prime, "	5 00 to 5 50	5 00 to 6 00
Pork, Mess, "	10 00 to 10 12	12 50 to 13 50
" Prime, "	8 00 to 8 06	9 50 to — —

the true mode of doing it. It is a misuse of language—an abuse of terms to call it "protection to American labor." It is the sheep's clothing in which they dress their tax-wolf, to enable him to prey with more certainty upon labor itself.

Sir, protection is a grateful word. It falls upon our senses approvingly, and there is something noble in the idea of aiding, sustaining, cherishing, and protecting American labor. We assent at once to the propriety of the object, and so ready are we to afford assistance to so praiseworthy a design, that we stop not to scrutinize the plan, but yield at once to propositions that come designated by such prepossessing appellations. But what is it, that is thus called "protection to American labor?" You talk about "protection to American labor," and you afford that protection by raising the relative price of almost everything which the laboring man has to buy, and, in addition to this, you load him down with $50,000,000 per year in taxes. This is your protection. And then you have the effrontery to tell him that his condition will be vastly improved if he will let you tax him *a little more*, just for "permanency and stability." Sir, the advocates of high duties have been begging the whole question in the use of terms, which they select to suit their purposes. Let us not be deceived by such words, but look to acts. Let us regard not theories but results.

The gentleman tells us that more protection to American labor is necessary, because under the present tariff the production of iron has greatly fallen off in Pennsylvania, and will fall off still more, unless protected by still higher duties. Now what does this statement show? Why, that the workmen, instead of continuing in the business of producing iron at *reduced* wages, have preferred to go into other employment at *full* wages, and thus, the production has "fallen off." The demand for iron in the United States is rapidly increasing; and yet the production, the gentleman says, is diminishing. What is the inference? Why that the laborers, being entirely independent both of their employers and of the "pauper labor of Europe," do not work at reduced wages, but engage in other employments which offer better inducements, and for which the versatility and genius of the American character so admirably fit them. The "right to labor" has not yet to be begged for by our citizens of the Government, as it has been done in times past by the people of Paris. It is a right which is yet in the people themselves, and it is a right coupled with the ability to use—a right which they will forever retain, unless yielded up to the false and delusive schemes of the protectionists.

Gentlemen talk about protecting American labor by taxation. Is it protecting American labor to give money to an iron worker, which you draw by taxation from the iron consumer? The iron manufacturer seems to forget that there are iron consumers; and the cotton manufacturer forgets that there are cotton consumers. The manufacturer of one article is a consumer of many articles, and is it for his interest to have a duty on the *one* of his own manufacture, when he is taxed on *twenty*, which are manufactured or produced by others? No, sir, you will never protect American labor by taxing it in this manner; so far from it, that you oppress and plunder it in a thousand forms.

For sixty years, this Government has been engaged in collecting taxes. In that time the people have paid in taxation $1,200,000,000. Of this sum about $35,000,000 have been raised from internal and direct taxes. This was in the times of the "earlier Presidents," and has been wholly abandoned since 1818. About $150,000,000 have been received from the public lands, nearly all of which has been taken from the emigrant and the adventurous settlers upon your frontier. You have in the same time collected by duties on imports $1,000,000,000 in the "protection of American labor." You have compelled the laboring men of the country to pay you one thousand millions of dollars, and you complacently call that "protection," and would have them believe that it is all for their benefit. And so blinded are some men by prejudice, and so ready are they to accord with anything told them by party leaders, that they believe it.

Now, sir, I assert that the weight of this taxation has fallen upon *labor* and upon the *laboring men* of the country, and that capital, the accumulated wealth of the country, has paid, of this vast sum, comparatively nothing. The tax is a tax upon consumption, and as our farmers and mechanics generally consume, without much regard to their wealth, except mere luxuries, the amount of a man's property cuts but little figure in determining the amount of taxes he pays. As an illustration of this, I saw it stated very recently on good authority, that the entire wardrobe of the late John McDonough was appraised at thirty dollars. Now, there is not a man in the country, who puts a spoonful of sugar in his coffee and has a suit of cloth for Sundays and holidays, but pays more taxes for the support of Government, than did this man with his ten or fifteen millions of dollars. And what he does pay is voluntary. There is no power to reach him and compel the payment of a cent. Now, as the consumers of the country are the laborers of the country, *they* pay the enormous taxes, while accumulated wealth goes untouched. Property, as well as life and liberty, is one of the great objects of the care of this Government. Why should not property bear some proportion of its expenses? We are yearly paying millions to compensate for loss of property. For the wrongful taking of one of our ships, we are ready to engage in war without counting cost, and we have a bill now before us to pay $5,000,000 for spoliations on property; and yet, instead of taxing property, instead of taxing the wealth and fixed capital of the country, you heap the taxes upon labor; and you call all this the "protection of American labor against the pauper labor of Europe"—while the only objection we hear from these protectionists is, that the taxes are *not high enough*. Was ever such injustice perpetrated under the pretence of conferring benefits!

Now, sir, in most of the States, taxes are imposed upon property, and men contribute to the support of their State governments in proportion to their wealth. But the Government of the United States disregards that basis entirely, and levies its taxes upon consumption. The people paid into the National Treasury last year more than $3,000,000 in taxes upon sugar and molasses; more than $5,000,000 on cottons and cotton manufactures; near $5,000,000 taxes on iron and manufactures of iron; near $5,000,000 in taxes on wool and woolens; on salt, about $250,000; on linseed

and other oils, about $200,000; on spices, $220,000; on lead, $220,000; on raw hides and skins, $230,000; on linen and manufactures of flax, $1,600,000; on raisins, $280,000; on manufactures of glass, $300,000; on porcelain, stone, and other wares, $740,000; on leather and the manufactures of leather, $500,000; on brandy and other spirits, $3,500,000; on silks, $1,000,000; on wines, $800,000; on tin, $350,000. The people who have consumed these articles have paid these taxes to support your Government. You have collected, during the last year, $39,668,686 42 from customs. You taxed it upon the people, and they paid it. But the cost to them does not stop here; to approximate to that, you should add at least fifty per cent. to the cost, including taxes, upon the imported articles consumed, and then calculate the increased price in a corresponding ratio, upon the entire consumption of the country, so far as that relates to articles imported to any considerable extent from abroad. While you do this, you leave the great staples of meats and breadstuffs, with rice and cotton, to struggle under double difficulties. *First*, in consequence of the diminished demand abroad for those staples, caused by the taxation on imports; and *second*, from their being articles with which those of foreign growth cannot compete, they are not advanced in price by the duties imposed upon like articles imported. The whole system operates unequally and unjustly, and to the injury and oppression of the agricultural and planting States.

The existing law was passed for revenue purposes, and it has fully justified the expectations of its friends in increasing the revenue. Who does not recollect the lamentation and wailing made on its passage in 1846? Its enemies predicted that it would utterly fail in raising sufficient revenue for the expenses of the Government; and worse than all, they were sure that the country would be ruined by its operation. It is almost terrifying to read, even now, the prognostications of public disaster and distress which were made on that occasion. But how has the result scattered all those unfounded opinions, and forbodings of evil to the winds? It is true that some of the owners of iron works, and some of the cotton-mill men, have been "making night hideous" with their groans of distress, but I have yet to hear of the first murmur from the masses of the people, or those composing the agricultural class. Under every tariff we have had, there have been complaints from these manufacturers. Like a dog glutting himself with his dinner, they accompany the filling of their purses with growls of complaint, because they cannot do it faster, or for fear that some one may interrupt their employment. If any difficulties now exist, they should be attributed to the tariff of 1842, which, by its enormous rate of duties, stimulated into action, at the expense of the people, a variety of manufactures, which at once go down upon the people being relieved from that expense. The complaint, therefore, resolves itself to this, that Congress will not tax the people for the benefit of the manufacturers. The origin of the wrong, if wrong there is, was in the tariff of 1842, which did so tax them. I am not disposed to repeat a similar wrong.

Now, suppose the duty on imported iron were raised from thirty per cent. to sixty per cent. It would double the price of iron, and the Pennsylvania producers would be busy again. They would engage in producing iron because sure of a substantial profit. This expectation would at once attract capital for investment, and it would continue until competition brought down the profits to the bare living point. Then the demand would be made for more protection. Woful descriptions would come to your table, of forges and furnaces blown out; hands out of employ, or compelled to work at rates as low as those paid for the pauper labor of Europe; and all this, after the people of the country had been paying double price for iron for the especial benefit of home producers. Examine for a moment the history of the tariff with reference to this article of iron. Take the acts of 1789, 1790, 1792, and subsequent acts. By the act of 1789, the tax was fixed at seven and a half per cent., and again fixed at the same rate by the act of 1790. In 1792 this sum was raised to ten per cent. *ad valorem*. In 1812 the duties were raised to thirty-two-and-a-half per cent. In 1816 bar and bolt iron *not* manufactured by rolling was taxed $9 per ton. In 1818 the tax was raised to $15 per ton; in 1824 to $18 per ton; and in 1828 the tax was fixed at $22 40 per ton. By the act of 1816, the same descriptions of iron, manufactured by rolling, were taxed $30, and by the act of 1828, $37 per ton. This shows the progress of the iron tax down to 1828. In 1832 a reduction commenced, which in 1842 brought down the tax to twenty per cent. *ad valorem;* when by the act of that year it was fixed at $25 per ton—a higher rate of taxation than was provided for like descriptions of iron by the tariff of 1828. By the act of 1846 it was fixed at thirty per cent. *ad valorem*, at which it now stands. As a further illustration, take the article of woolens. By the act of 1789, the taxes were five per cent. In 1790 they were raised to seven and a half per cent; in 1794 to ten per cent; in 1804 to fifteen per cent, in 1812—war duty—to twenty-seven and a half per cent.; in 1816—except blankets, rags, and worsted or stuff goods—twenty-five per cent; in 1824 to thirty-three and a third per cent.; and in 1828 the taxes were fixed—according to price per square yard—from forty-five to two hundred and twenty-five per cent.

The history of the tariff in relation to these two great articles of consumption illustrates the whole system. It is a succession of demands made, and of concessions yielded by Congress to manufacturers. Their demand is for more taxes, higher duties, and still higher, until the point of prohibition shall be reached. This is the real object, and why not march boldly to it at once? The only reason is, that direct taxation would follow, and then the deceptions and enormities of the whole tariff system would be exposed. But for this circumstance, those who are so anxious for protection would be the open advocates for prohibition. Surely, if high duties afford some protection from foreign labor, prohibition will afford *more* protection. And if complete protection of this sort is wanted, complete prohibition is wanted. As for the justice of the thing, there is just as much in a law of prohibition as in a tax so heavy as to amount in effect to the same thing. The history of the iron and wool trade of Great Britain is replete with proof of the evils of all legislation which interferes with the ordinary and legitimate course of trade. And all attempts to remedy such evils by

additional restrictions only render them worse. And yet gentlemen seem anxious that we should pursue a line of policy similar to hers. And as Great Britain once required by law, for the "protection" of her spinners and weavers, that the dead should be burried in woolen garments, the gentleman from Pennsylvania would be pursuing a similar policy by favoring a law for iron coffins instead of deal-boards, in which to bury the people.

The reference which I have made to the taxes upon iron and woolens, shows another fact, and that is, that the additional duties have been imposed from time to time, not at the instance of the laboring men employed in those branches, but at the instance of capitalists who have made investments in their manufacture, and who desire to reap fortunes at the expense of the country. It is with them as it would be with importers under similar circumstances. Coffee and tea are now admitted free of duty. Suppose a dozen importers had as many millions of dollars of their capital invested in coffee and tea, and while they have this on hand they could, by a combination of influences, effect the passage of a law imposing a tax of one hundred per cent. on like articles subsequently entered in the ports of the United States: who does not see that the price at which these articles would reach the people would be doubled, and that these capitalists would reap great fortunes? But importers having cargoes arriving after the passage of such a law, would gain nothing.*

Every gentleman recollects the accounts of fortunes made on various articles when the tariff of 1842 went into effect. In the same manner, those having capital invested in the production of iron, would at once reap large profits by the imposition of heavy and increased taxes upon its importation, and such profits would be increased by every increase of taxes, until they reached a point that would wholly exclude the foreign product. But how much better off are the laborers? They are paid no more than the average rate of wages in other employments; for however much may be made by the capitalist, he will always obtain his workmen at the lowest wages possible. And when an increased cost of all the articles which he consumes, is caused by a general system of high tariff duties, he is worse, rather than better off, by the system. Let, then, no attempt be made by Congress to regulate wages. No regulation is within its power, except it be for the worse. I dread the day when the legislature of the country shall be so far interwoven with the business of men as to attempt its control. When that time comes, your Government is gone, and your Republic is at an end.

But, sir, the Secretary of the Treasury is fearful of a certain balance of trade, which, he says, exists against us from last year, of $26,000,000. He apprehends, also, an "alarming balance" for the current year. I have, at some labor, prepared a table showing this "alarming balance" in each year from 1791 to 1850, and on the Secretary's theory, it is truly "alarming." Here is the table:

*Note.—If it should be objected that coffee and tea are not proper examples—not being of the growth of the United States—I say that I wish the example to illustrate a principle, and it is for that sufficient.

Years	Excess of imports.	Excess of exports.	Years	Excess of imports.	Excess of exports.
1791	$33,187,959		1821	—	$2,388,658
1792	10,746,902		1822	$11,081,260	
1793	4,990,428		1823	2,880,237	
1794	1,573,767		1824	4,562,350	
1795	21,766,796		1825	—	3,195,313
1796	14,372,067		1826	7,379,155	
1797	18,529,200		1827	—	2,840,759
1798	7,024,603		1828	16,245,138	
1799	402,626		1829	2,133,856	
1800	20,280,988		1830	—	2,972,588
1801	27,147,586		1831	21,880,551	
1802	3,850,173		1832	13,852,323	
1803	8,866,633		1833	17,977,876	
1804	7,300,926		1834	22,184,359	
1805	24,433,979		1835	28,202,165	
1806	27,463,037		1836	61,316,995	
1807	30,156,850		1837	23,569,841	
1808	34,559,040		1838	—	5,230,788
1809	7,196,769		1839	—	41,063,716
1810	18,642,026		1840	26,766,059	
1811	—	$7,916,831	1841	6,094,374	
1812	33,502,764		1842	—	4,529,447
1813	—	5,850,997	1843	—	19,592,681
1814	6,037,559		1844	—	2,765,011
1815	60,483,512		1845	2,607,958	
1816	65,182,548		1846	8,203,281	
1817	11,578,431		1847	—	12,102,984
1818	28,468,867		1848	941,492	
1819	16,982,479		1849	2,101,619	
1820	4,758,331		1850	26,237,598	
	$519,864,244	$13,767,828		$306,227,489	$96,670,945

Total excess of imports.....$826,091,733
Total excess of exports..... 110,438,773

Balance excess of imports.....$715,652,960

Now, sir, on an examination of this balance sheet for sixty years, we find "against us" (using the language in the sense of the Secretary) $715,652,960. It appears, also, that during the first twenty years there was not one which did not show an "alarming balance" against us; and in the first entire term of thirty years there were but two in which this "alarming balance" is not found against us, and those years were 1811 and 1813—years of utter confusion in commerce, growing out of war. During that term, or at least down to 1816, we had comparative free trade, and the balance "against us" for that period was $506,097,416. Truly, upon the theory of the Secretary, it was a disastrous period. But take the eight years following, and there is but one year (1821) in which the balance does not continue against us, and that year for a comparatively small sum. Take the sixteen years of high tariff, from 1816 to 1832, and excluding the former, (in which the balance "against" us was above $65,000,000,) and how does it stand during that period? Why, during the whole time, we find four, in which the balance is not "against" us, while the aggregate balance "against" us for the same time is $130,505,660, and this under tariffs about as high as tariffs ever get. The Secretary will have to devise something besides high tariffs to prevent this balance "against" us. But what is this, which he terms a "balance against us?" It is simply this: If we send abroad our products valued by us at $152,000,000 and receive in return what we value at $178,000,000, he says this shows a balance against us of $26,000,000. So, if a farmer sends off to Cuba a sack of corn which he values at $1 and gets in return a sack of coffee which he values at $20, there is a balance against him of $19! The Secretary says this is "alarming." It may be so. I think, however, that the

farmer would *not know* that he had much cause for alarm, unless the Secretary should kindly inform him of the fact; and then no doubt he would be fully satisfied that the receiving what was worth $20 in exchange for what was worth $1 was not only "alarming," but ruinous!

But, sir, this doctrine of the balance of trade has long since been utterly exploded by every eminent political economist. That distinguished American statistician, Mr. Pitkin, says, in his "Commerce of the United States," that "the real gain of the United States has been nearly *in proportion as their imports have exceeded their exports.*" Mr. McCullough, in his Dictionary of Commerce, says that "the truth is, however, that the 'theory of the balance of trade is not erroneous 'merely from the false notions which its advocates 'entertain with respect to money. It proceeds on 'radically mistaken views as to the nature of commerce." Again he says: "It is plain that no 'merchant ever did or ever will export but in the 'view of importing something more valuable in 'return; and, so far from an excess of exports 'over imports being any criterion of an advan-'tageous commerce, it is directly the reverse. 'And the truth is, that notwithstanding all that 'has been said and written to the contrary, unless 'the value of the imports exceeded the exports, 'foreign trade could not be carried on."

These opinions are those of a political philosopher who, in matters of trade, has no superior living; and they are opinions in which every writer of distinction, except mere partisans, entirely concur. But, sir, it is needless to pursue this branch of the inquiry further.

The Secretary says, that "a large proportion of this balance has, doubtless, been paid by our domestic stocks." Now, is there not some ground for an opinion, that the amount of State and domestic stocks redeemed during the past year from European holders, has very nearly, if not quite, equalled the amount sold to them in the same period? I have not data to form an accurate opinion, but it is certain that while in the last four years the balance has been against us of about $40,000,000, the State indebtedness alone has decreased some, $15,000,000.

To understand this paying for goods in domestic stocks, I have prepared another table:

Table showing the exports to, and imports from, the dominions of each power, for the year ending June 30, 1850.

Countries.	Exports.	Imports.	Excess of imports.	Excess of exports.
Russia.....	$864,941	$1,511,571	$646,630	
Prussia.....	98,636	27,991	.....	$70,645
Norway&Swd'n	819,532	1,034,310	214,778	
Denmark.....	1,168,538	267,986	.....	900,552
Hanse Towns..	5,306,522	8,787,874	3,481,352	
Holland.....	3,571,607	2,732,560	.....	839,047
Belgium.....	2,543,760	2,404,954	.....	138,806
Great Britain...	88,388,675	85,117,477	.....	3,271,198
France	20,182,094	27,637,265	7,454,171	
Spain	9,931,240	15,864,748	5,933,508	
Italy	1,807,070	2,105,077	298,007	
Portugal.....	387,398	470,820	83,422	
Brazil	3,197,114	9,324,429	6,127,325	
China	1,605,217	6,593,462	4,988,245	
ArgentineRepub.	1,064,642	2,653,877	1,589,235	
Mexico.....	2,012,827	2,135,366	122,539	
Hayti.....	1,350,188	1,544,771	194,583	
Chili	1,422,721	1,796,877	374,156	
Turkey.....	258,735	801,028	542,293	
Trieste, &c.....	1,492,004	467,601	.....	1,024,403
Sicily	63,601	822,629	759,028	

Now observe the countries from which these excesses of importations come. Are France, Spain, Brazil, China, Turkey, and Hayti the countries to which our domestic stocks are taken in exchange for goods? It need not be answered that the stocks are exchanged in England for bills which are converted into goods in other markets, and that the proceeds of these stocks do not necessarily come from the place in which they are hypothecated. An examination of the table will dispel any such supposition. During the speculations from 1836 to 1840, such transactions did occur to some extent; but an examination of the figures for those years show a different result from the present. But suppose our domestic stocks were sent abroad for goods, is it the business of this Government to interfere with the private dealings of its citizens? Those citizens are quite competent to manage their own concerns; and if they are trading on a bad system, they will correct it without your interference. Give them freedom of commerce, and they will discard the system of credits. "Pay as you go" would be a maxim for the government of commercial men, as it should be for the government of men in every station in life.

The Secretary of the Treasury also expresses great alarm, lest there should be overtrading. In 1791, with a population of four millions, our imports were $52,200,000, and our exports were $19,012,041. In 1795, with a population of four and a quarter millions, we imported $69,756,268. In 1800, with a population of five millions three hundred thousand, we imported $91,252,768. In 1805, we imported $120,000,000. And taking twenty years, down to 1810, we have, with an average population of five and a half millions, an average importation of $77,550,000 per annum. The same ratio would make our present importations about $320,000,000; while, in fact, it was during the last year but little more than half that amount; and I believe now, that if your commercial restrictions were removed, your trade would, in five years, reach three hundred and fifty millions per year. And what is proposed, to remedy this overtrading? Why, heavier taxes upon imports, so that people cannot afford to buy. Thus further controlling the private business of the citizen. And as the American freeman does not know *how much* to buy, *what* to buy, nor *where* to buy, you will take that matter off his hands, and determine it for him. You will determine *how much* he shall buy, by imposing taxes to cripple his means of purchase; *what* he shall buy, by unjust and invidious discriminations; and *where* he shall buy, by your unwarrantable restrictions upon trade. Then you would have, when all these objects are accomplished, a splendid Government indeed, and one that would realize the extremest wishes of the bitterest Federalist of 1798.

Suppose you increase your tariff for the benefit of the manufacturers, will you not thereby interfere with your commercial interests? Do you think the merchants, the importers, and navigators, who have invested millions in shipping, will sit quietly by, and permit you to break up their occupations, destroy their interests, and lay up their ships to rot in the docks? Look at the effect of your restrictions upon the navigation interests. From 1842 to 1846, under a tariff of high duties, your total tonnage increased but some twenty-three per cent., while from 1846 to 1850, a period of equal

length, under low duties, it increased about thirty-eight per cent. But if you look to the registered tonnage, which it most affected by restrictions, you will find that from 1842 to 1846 it increased less than sixteen per cent., while from 1846 to 1850 it increased more than forty per cent. These facts show that there are other interests to be retarded and crippled by high duties, as well as those of the agriculturist and planter. And let me say to you that, if you succeed in again putting your commerce under restraint, you will hear something about "sailors' rights," as well as free trade.

But, sir, there are other considerations. Experience has taught me that so long as the revenues of this Government are collected by indirection, they will be squandered without calculation. How few reflect, when voting away the public money, that they are putting taxes upon the people? Who gives *that* as a reason for voting against extravagant appropriations? No one ever endeavors to bring the expenditures within the revenue—like a squandering profligate, the only inquiry is, how much can we spend?—no reflection as to how much is needed. *Economy* is an obselete word here, and its force and meaning will never be understood until you are more closely watched by the people, and they will not do that until they pay the money which you vote away out of their own pockets. Then they will hold you accountable for its disbursement. Your Government costs you twice as much as it ought; there is more money foolishly and uselessly squandered than is spent in any other way. You adroitly abstract the money from the pockets of the people, and you then try to convince them that they have lost nothing, but are really better off for having been relieved of so much.

Sir, who ever knew a public man condemned for voting away the people's money? When political enemies hunt through journals to find obnoxious votes of members, they never cite those given in favor of paying out the public treasures—never; nor is it inquired whether such payment be for a good or bad purpose—whether the amount be great or small, or whether the Treasury be full and overflowing, or dependent upon loans and Treasury notes. No member is condemned who favors expenditure. Those who do, become at once "distinguished for their liberality and enlarged views," and their generous and noble qualities. On the other hand, let votes be given against a measure of extravagance or peculation, and somebody will denounce them, while nobody defends. Particularly is this apt to be the case if any portion of the money voted is to go among the constituents of the member. You passed a bill a few days ago appropriating money for rivers and harbors, which was carried solely by votes obtained in consequence of appropriations in it for expenditures in the States or districts of members, and without which they would have opposed it, and the bill would have been lost. I question the vote of no gentleman, who from convictions of duty supported that bill. I believed it a most iniquitous bill; and although it made an appropriation for a river which washes eight counties of the eleven in my district, I voted against it. The bill gives to Illinois some sixty or seventy thousand dollars—not as much as her proportion of the taxes will be, to raise the amount. But had the sum been five millions instead of what it was, I would never have voted for such a bill, and by my vote sanctioned its enormities.

My constituents ask me to give no votes sanctioning unjust legislation, even though they may have a temporary or apparent interest in my doing so. I know the position in which gentlemen are thus placed, and know that votes were drawn for the bill, enough to pass it, from local considerations alone. Under such a state of things, is it possible to expect any retrenchment? Everything tends to wasteful extravagance. There seems to be a general scramble for the public money, and a general desire to plunder the Treasury seems to have seized upon Congress; and this wholly for private ends, and not the public good. The founders of this Republic did not legislate in this manner—

> "Fuit hæc sapientia quondam
> Publica privatis secernere, sacra profanis."

It matters very little what the object is. "Aye" is the vote now to be given on bills expending public money by all who are running the race of temporary popularity.

There is one thing which cannot have escaped the notice of any gentleman, and that is, the readiness with which gentlemen on the other side of the Chamber vote for every expenditure of money. And it is not strange with their views of the tariff. They hold that the tariff does not tax the consumer. Therefore the tax is no burden upon him, and it does him no wrong to vote away his money. And believing also, as they do, that a high tariff is necessary not only for protection, but to produce a large revenue, they of course will vote away that revenue to create a necessity for a high tariff. In many of the parliamentary proceedings here, party leaders are depended on to indicate the proper votes to be given; but when there is a bill pending to scatter the public money, our Whig friends require no leaders—they go for it in a body by instinct.

I have said that this Government costs twice as much as it ought. One would suppose that the cost of thirty-one State Governments, with their minute relations to the people, would exceed that of the Government of the United States. But in truth their cost, all summed up, is but about five and a half millions of dollars—or about *twenty-five cents* for each man, woman, and child—while the Government of the United States costs us about $45,000,000; or two dollars for each person in the Union; or about eight times as much as all the State Governments put together.

Now, sir, let this mode of collecting your revenue be changed and apportioned among the States as provided in the Constitution. It will not cost you half as much in the collection. You will save the millions expended for custom-houses, revenue cutters, and the like. Let each man pay in proportion to his property; and every one would know what his Government cost him. Then, and not till then, will the people put an end to legalized plunder upon the public Treasury, by watching your votes on the disbursement of the Government moneys, and holding you accountable for all improper appropriations.

Now, sir, let me say, in conclusion, that if you are really desirous to promote the interests of labor and increase relatively the wages of labor, the proper mode to do it is to promote the general wealth and prosperity of the country. Remove

your restrictions upon trade; give your people the markets of the world in which to sell their products, and the marts of the world in which to buy what they desire; let your commerce spread itself over the globe, bearing your productions of agriculture and the mechanic arts to every nation and to every port. Break off the shackles, and you will soon have a million of your own citizens connected with your commerce and navigation. You will quadruple your already great tonnage, both in the coastwise and foreign trade. You will give encouragement to ship-building, and all the mechanical employments connected with it. Then will the time soon come, when American ships, built of American oak, propelled by American machinery or American canvas, manned by American sailors with American hands and hearts, with the American flag, which has been so long and so gloriously unfurled to the battle and the breeze, floating aloft—will plough every wave that roars or ripples upon the surface of the whole sea. That will be an "American system" worthy of the name.

Then, sir, we shall learn to use language aright, and give words their proper meaning. We shall cease to call "protection" what in truth is *taxation*. We shall cease to say that "we are dependent upon the pauper labor of Europe," when that labor relies upon our provisions and breadstuffs *to avert starvation*. We shall cease to say that a people who purchase $100,000,000 with $80,000,000 are $20,000,000 worse off; and that the more we buy and the less we pay, the poorer we become. Then will the whole catalogue of high tariff fallacies be gone, and a new and brighter career of prosperity will open before us, the result of which will be to give the American people the possession and control of the commerce of the world.

There is another view of this question which calls every philanthropist, every friend to peace and human progress, to the support of free trade. Let the nations of the world become united by the strong commercial ties of free trade—by the mutual and unrestricted interchange of products, and by the friendly intercourse consequent upon it, and you have a stronger bond of peace and universal tranquillity than all the treaties that were ever formed. You constitute not only a feeling of friendship resulting from intimate relations, but a bond of self-interest, the ruling principle of mankind. If wars have become less frequent in modern times, it is owing, in a great degree, to the increased intimacy of commercial relations. Let these relations be fully extended on the principles of free trade, and you will no longer need the entangling alliances of treaties; you will need no congress of nations to adjust difficulties between sovereign powers. Under such a system, few difficulties would arise, and those would be settled at once where parties are so strongly interested in doing justice, and in the avoidance of war. In my judgment, the doctrines of FREE TRADE commend themselves alike to the philanthropist, the political economist, and to the whole people; and I trust that, before many years, we shall test their correctness by their practical application to American commerce.

Printed at the Congressional Globe Office, Washington, February, 1851.